

Cabinet Member for Jobs, Regeneration and Climate Change

29 July 2025

Name of Cabinet Member:

Cabinet Member for Jobs, Regeneration and Climate Change
Councillor J O'Boyle

Director approving submission of the report:

Director of Property Services and Development

Ward(s) affected:

Woodlands

Title:

Freehold Disposal of the Site of the Former Faseman House

Is this a key decision?

No

Executive summary:

The site of the former Faseman House is a vacant cleared site, off Faseman Avenue in Tile Hill (the land). The Council owns the freehold interest of the land.

Citizen Housing Group Limited have promoted a scheme for 50 residential units in one block and have secured a resolution to grant Planning from the Council.

This report seeks approval to transfer the freehold of the land to Citizen Housing Group Limited, who will build out the scheme as per the planning application. The accommodation is to be specifically used as Temporary Accommodation with the Council's Housing Team having 100% nomination rights across all of the dwellings.

The capital receipt, being £541,000, will be used to provide further affordable residential development across the city via the Citizen Housing Group Limited and Coventry City Council joint venture.

Recommendations:

The Cabinet Member for Jobs, Regeneration and Climate Change is recommended to:

1. Approve the transfer of the freehold interest at the site of the former Faseman House to Citizen Housing Limited for £541,000.
2. Delegate authority to the Director of Property Services & Development and the Director of Law and Governance , following consultation with the Cabinet Member for Jobs, Regeneration and Climate Change, to conclude the legal documentation for the freehold transfer and any associated matters.

List of Appendices included:

Appendix 1 – Plan of the land

Background papers:

N/A

Other useful documents

Further details of the Planning Application are available on the Councils website under PL/2024/0002356/FULM.

Has it or will it be considered by Scrutiny?

No

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Freehold Disposal of the Site of the Former Faseman House

1. Context

The Property

- 1.1 Historically, Faseman House provided two storey office accommodation occupied by the Council. The former buildings were demolished to slab level in 2019, leaving a cleared vacant site (the land). The site is currently fenced with the main vehicle access off Faseman Avenue.

Development Proposals

- 1.2 Citizen Housing Group Limited have submitted a planning application and secured planning committee approval to construct a new block of 50 flats on the land. A planning permission Decision Notice will be granted once a Section 106 Agreement has been completed. The planning application is for a proposed single building, providing one, two and three bed flats set in landscaped grounds. A new access will be formed together with a small new car park.
- 1.3 Citizen Housing Group Limited have obtained grant funding to support the development, without which it would be unviable. The final details of the planning application are agreed; it is anticipated that the land transaction will complete simultaneously with the final planning agreements.
- 1.4 The use of the new building, to be constructed on the land, will be supported accommodation for temporary housing needs. The Council will benefit from 100% nomination rights whilst there is a housing need, helping to meet the Council's ongoing service provision.

Tenure

- 1.5 The Council have a freehold interest in the land and the proposal is to transfer the freehold of the land to Citizen Housing Group Limited. The transfer must occur ahead of the commencement of development as a requirement of the grant funding. There will be provisions to enable the Council to buy back the land (at the same price) if for some unforeseen reason the development is unable to progress within two years of the freehold transfer or Citizen Housing Group Limited amend the planning permission to provide 43 or less residential supported accommodation units. The receipt will be ring fenced until there is committed progress on the development; the Council will not be committed to buy back.
- 1.6 There will also be a right of pre-emption over the site in favour of the Council for a period of 125 years which will give the Council the right of first refusal to purchase the site at market value should Citizen ever consider the disposal of the completed scheme.

2. Options considered and recommended proposal

Option 1 – Do Nothing

- 2.1 A do nothing approach would result in the land remaining unoccupied with no new development being undertaken. It is likely that the funding Citizen have obtained would expire and there is no certainty that new funding could be obtained. The Council would potentially lose the benefit of the Temporary Accommodation that Citizen are to provide.

Option – 2 A Sale in the open Market

- 2.2 Citizen Housing Group Limited are paying market value for the site and have planning committee approval for their intended works. The Council believes there is therefore no benefit to seeking another purchaser. It is likely that an alternative purchaser would not have funding in place, providing a significant risk to delivery and timing.

Option – 3 Sale to Citizen Housing Group Limited

- 2.3 Citizen Housing Group Limited are well placed to develop the land in terms of experience, local knowledge and access to grant funding. A sale to Citizen will see the land developed, creating jobs and provide supported residential accommodation. The accommodation provided will have a positive impact to the Council's temporary accommodation obligations.

3. Results of consultation undertaken

- 3.1 No public consultation in relation to the transfer of the land has been undertaken. The planning application followed the statutory procedure in relation to public consultation.

4. Timetable

- 4.1 Subject to approval, legal documents in relation to the land are anticipated to complete in October 2025 with commencement of the development by Citizen on site early in 2026.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial implications

- 5.1.1 The financial implications of this transaction include a receipt for the land of £541,000, verified via a third party RICS valuation report, which is deemed to be the market value.
- 5.1.2 There will be positive impact on the Council's temporary accommodation budget in future years although it can only be quantified when the project is completed and operational.

- 5.1.3 The planned development at the site is eligible for grant funding. It is understood that Citizen Housing Group Limited will be able to meet the costs with its own investment and grant secured; there is no development cost risk to the Council.
- 5.1.4 The capital receipt will be applied and utilised by Citizen Housing Group Limited and Coventry City Council as part of their joint venture to provide and improve housing across Coventry.

5.2 Legal implications

- 5.2.1 The Council has the power to dispose of land and is required to obtain the best consideration reasonably obtainable, in accordance with the provisions of S.123 of the Local Government Act 1972.
- 5.2.2 The disposal will be of the freehold interest in the land.
- 5.2.3 The contract for sale will require Citizen Housing Group Limited to enter into a pre-emption agreement on completion of the sale giving the Council the right of first refusal to purchase the site at market value site in favour for a period of 125 years should citizen Housing Group Limited opt to dispose of the land.
- 5.2.4 Acting on the recommendations is within the Council's powers.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

The development proposal will bring investment, providing jobs and new residential accommodation.

6.2. How is risk being managed?

Citizen Housing Group Limited are to bear the significant risks associated with the development, including all development risk and any risk of cost overruns. The Council's key risk is of Citizen Housing Group Limited not being able to deliver, which will be covered by way of a buy back provision, which will be inserted into the legal documentation, leaving the Council in no worse position.

6.3. What is the impact on the organisation?

There will be a positive impact to housing and temporary accommodation in addition to the capital receipt.

6.4. Equalities / EIA?

- 6.4.1 An Equality Impact Assessment (EIA) has been considered with a full EIA not required as the proposal is a property transaction where the proposed development is to be undertaken by Citizen.

6.5. Implications for (or impact on) climate change and the environment?

The proposed development of land re-utilises a disused brown field site, providing new purpose built residential accommodation benefitting the community.

6.6. Implications for partner organisations?

N/A

Report author(s):

Name and job title:

Paul Beesley, Head of Development, Disposal & Acquisitions

Carwyn Beswick, Surveyor, Development, Disposal and Acquisitions

Directorate:

Property Services and Development

Tel and email contact:

024 7697 6746 paul.beesley@coventry.gov.uk

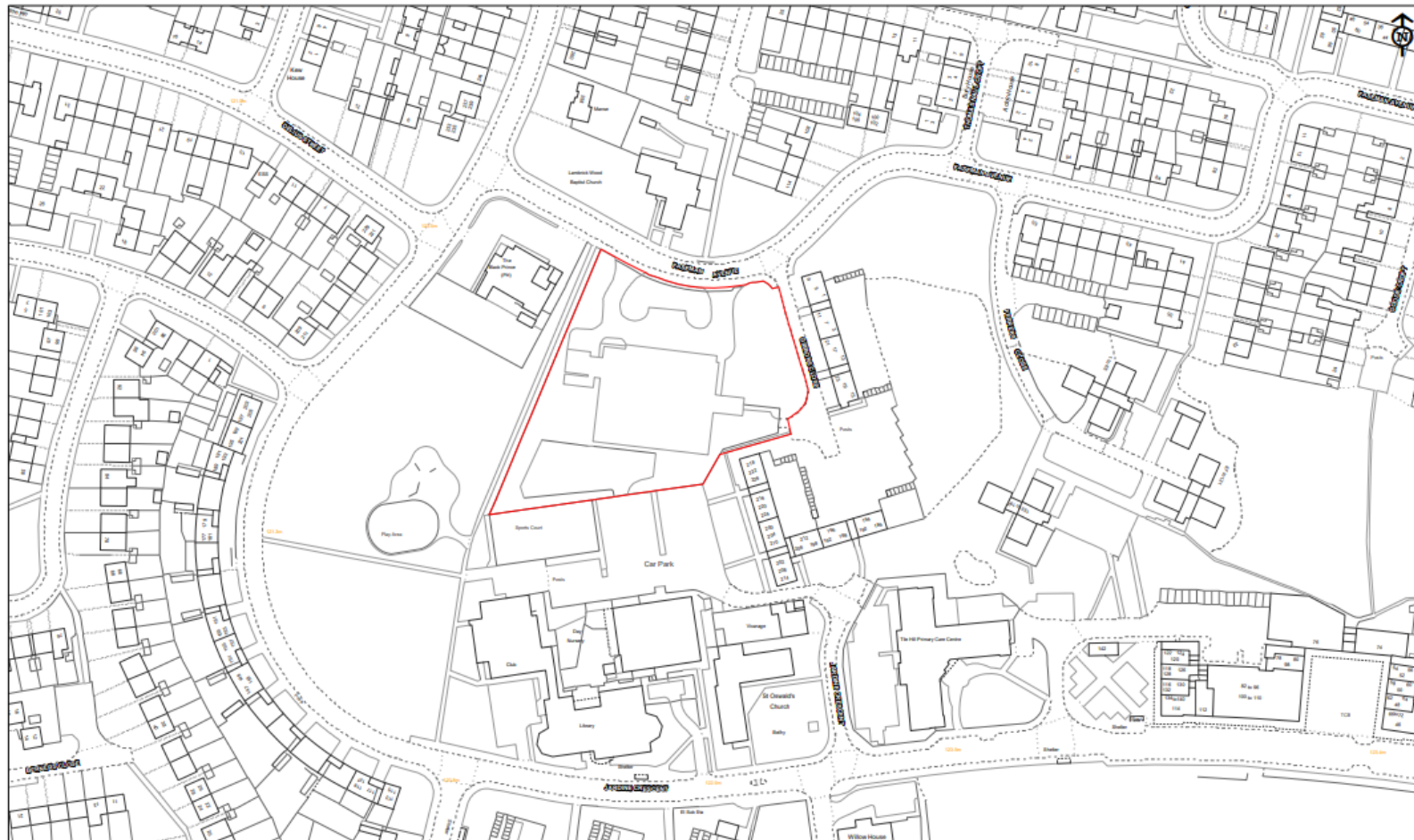
024 7697 6301 carwyn.beswick@coventry.gov.uk

Enquiries should be directed to the above person(s).

| Contributor/approver name | Title | Service Area or organisation | Date doc sent out | Date response received or approved |
|---|--|-------------------------------------|--------------------------|---|
| Contributors: | | | | |
| Suzanne Bennett | Governance Services Co-ordinator | Governance Services | 24/06/25 | 27/06/25 |
| Names of approvers for submission: (officers and members) | | | | |
| Jim Crawshaw | Head of Housing and Homelessness | Adult Social Care and Housing | 11 06 25 | 17 06 25 |
| Xiao-Ming Hu and Helen Williams | Finance Manager | Finance | 11 06 25 | 16 06 25 |
| Robert Poulton and Emma Kirby | Commercial Property Lawyer | Legal and Property Services | 04 06 25 | 09 06 25 |
| Adam Hunt | Strategic Lead Property and Development | Property and Development | 17 06 25 | 18 06 25 |
| Richard Moon | Director of Property Services and Development | Property Services and Development | 17 06 25 | 18 06 25 |
| Cllr J O'Boyle | Cabinet Member for Jobs, Regeneration and Climate Change | Cabinet Member | 02 07 25 | 21 07 25 |

This report is published on the council's website: www.coventry.gov.uk/meetings

Appendix 1 - Plan - Red line plan identifying the land at the former Fasman House for disposal



Place Directorate
Po Box 15
Coventry City Council
CV1 5RR



Fasman House Fasman Avenue

Scale: 1:1250 Drawn by : LPL Date: 19/05/2025
O.S. Ref. No: 2878 NE LPR - 59- 2025

© Crown Copyright and database right 2025. Ordnance Survey AC0000850544